VZCZCXRO1408 OO RUEHCI DE RUEHKT #1341/01 1940421 ZNY CCCCC ZZH O 130421Z JUL 07 FM AMEMBASSY KATHMANDU TO RUEHC/SECSTATE WASHDC IMMEDIATE 6531 INFO RUEHBJ/AMEMBASSY BEIJING PRIORITY 5940 RUEHLM/AMEMBASSY COLOMBO PRIORITY 6246 RUEHKA/AMEMBASSY DHAKA PRIORITY 1487 RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 4268 RUEHLO/AMEMBASSY LONDON PRIORITY 5547 RUEHNE/AMEMBASSY NEW DELHI PRIORITY 1697 RUEHCI/AMCONSUL KOLKATA PRIORITY 3667 RUEHGV/USMISSION GENEVA PRIORITY 1782 RUEKJCS/SECDEF WASHDC PRIORITY RUCNDT/USMISSION USUN NEW YORK PRIORITY 2852 RHEFDIA/DIA WASHDC PRIORITY RHMFISS/CDR USPACOM HONOLULU HI PRIORITY RUEAIIA/CIA WASHDC PRIORITY RHEHNSC/NSC WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 KATHMANDU 001341

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E.O. 12958: DECL: 07/13/2017 TAGS: <u>PREL PGOV PHUM KDEM NP</u>

SUBJECT: DEUBA FRUSTRATED BY MAOISTS IN NEPAL

Classified By: Ambassador James F. Moriarty. Reasons 1.4 (b/d).

#### Summary

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11. (C) Meeting the Ambassador July 12, Sher Bahadur Deuba, President of the Nepali Congress-Democratic (NC-D) party, expressed frustration with the Maoists and the Young Communist League (YCL), stressing that they consistently ignored agreements made with the government. Deuba confirmed that unification of the NC-D with the Nepali Congress party (NC) was well underway. He did not expect the monarchy to last past the Constituent Assembly election and agreed it was time to focus on what type of political system Nepal wanted. The Ambassador encouraged Deuba to keep the mainstream parties united in working toward a free and fair Constituent Assembly election.

# Frustration with Maoists/YCL

¶2. (C) In a meeting with the Ambassador on July 12, Sher Bahadur Deuba, President of the Nepali Congress-Democratic (NC-D) party, expressed frustration with the Maoists and Young Communist League (YCL). He noted that in the agreements the Maoists signed with the government, with the UN as witness, only the Nepali police were entitled to enforce the law. However, the YCL claimed they were enforcing the law when they engaged in adbuctions and confiscations. Deuba said Ian Martin (Chief of the United Nations Mission to Nepal-UNMIN) should be speaking out against these breaches of the agreements. The Ambassador pointed out that he had raised this issue repeatedly with Lena Sundh, former UN Representative of the High Commission for Human Rights; OHCHR had finally come out with a tough report on YCL actions on June 22, the day before Sundh's final departure from Kathmandu. UNMIN, as well as all other political parties, should be pointing out that the Maoists have not fully bought into the peace process, the Ambassador emphasized. Deuba's wife, Arzu, who joined the meeting midway through, found the lack of support for the police from the Home Ministry to be the biggest hindrance in dealing with the YCL. Deuba remarked that the Maoists should follow the agreements they had signed. If they had problems with government policies, they should deal with them within

government structures. The Ambassador and Deuba agreed that if the Seven-Party Alliance and the international community stayed unified, pressure could be brought on the Maoists to improve their behavior. The Ambassador acknowledged that to date, though, there have been no signs the Maoists were acting in good faith.

## Party Unification Coming

¶3. (C) The Ambassador asked Deuba when the Nepali Congress (NC) and Nepali Congress-Democratic (NC-D) would unify. Deuba replied that 75 per cent of the issues had already been resolved and that the two parties would unify, but did not mention a date. After stating from his side everything was ready to proceed, he questioned whether unification was necessary after all. The Ambassador replied that unification was indeed necessary to strengthen and unify the Seven-Party Alliance.

#### Monarchy is a Diversion

14. (C) While Deuba would be willing to entertain the idea of Gyanendra's grandson becoming king, he expected that the day after the CA election the monarchy would be abolished. He mentioned that some were concerned about the country being able to maintain unity if there is no monarch. Arzu Deuba then noted that no one was talking about what type of political system Nepal should institute. The Ambassador pointed out that if all parties agree that monarchy was at an end, then that issue could be neutralized, and the debate about what type of political system people wanted could

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begin. Deuba fully expected the Maoists to try to dictate answers; his wife thought the Maoists would return to armed struggle if they were not successful in getting their answers accepted.

## Uncertain Election

15. (SBU) Discussing the difficulties surrounding the Constituent Assembly election, the Ambassador commented that if the mainstream parties do not stay united and push for free and fair elections a remilitarization of political issues was probable. Deuba's wife pointed out that few Nepalis believed the election would take place as scheduled. The Ambassador responded that such views provided an "out" for the Maoists and reduced pressure on them to uphold their agreements with the government and to participate in a free and fair election.

#### Comment

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16. (C) Deuba's frustration with the Maoists and YCL was clearly evident. The need for a strong, competitive, and electable democratic party to counter the Maoists will perhaps help him overcome his remaining doubts about unifying his party with the NC. Deuba seemed a bit wistful about the end of the monarchy, but recognized that few Nepalis support the institution anymore.

MORIARTY